

HOUSE BILL 1071

By Kane

AN ACT to amend Tennessee Code Annotated, Title 24
and Title 47, relative to warranties.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 18, is amended by adding
SECTIONS 2–5 as a new, appropriately designated part:

SECTION 2. As used in this part:

(1) “HVAC system” means any device, equipment, or system that controls the
ambient environment in terms of temperature, humidity, air flow, heating, ventilation, or
air conditioning; and

(2) “Person” means any individual, corporation, partnership, unincorporated
association, or other legal entity.

SECTION 3.

(a) Any person making an express warranty with respect to an HVAC system
shall set forth the warranty in language that:

(1) Identifies the person making the express warranty; and

(2) Conforms to the federal standards for disclosure of warranty terms
and conditions set forth in the federal Magnuson-Moss Warranty-Federal Trade
Commission Improvement Act (15 U.S.C. § 2301 et seq.).

(b) If the person provides a warranty or product registration card or form, or an
electronic online warranty or product registration form, to be completed and returned by
the consumer, the card or form shall contain statements, each displayed in a clear and
conspicuous manner set out in twelve-point bold font or larger, that informs the
consumer:

- (1) Of the length of the warranty for the product;
- (2) That the card or form is for product registration purposes only; and
- (3) That failure to complete and return the card or form does not diminish the consumer's warranty rights.

(c) No warranty or product registration card or form, or an electronic online warranty or product registration form, may be labeled as a warranty registration or a warranty confirmation.

(d) If an electronic online warranty or product registration form is required to be filled out by the consumer for the purposes of showing proof of purchase of the product or extending the warranty, then the following shall occur:

- (1) The person shall provide a disclosure form to the consumer that explains the length of the warranty and the consequences of the failure to complete the electronic online warranty or product registration form or card;
- (2) Upon the explanation by the person, both the person and the consumer shall sign and date the disclosure form; and
- (3) The person and consumer shall each maintain a copy of the signed disclosure form.

(e) As used in subsection (d), "proof of purchase" includes the consumer's receipt to indicate the date and time the HVAC system was purchased.

SECTION 4.

(a) The requirements imposed by this part on the distribution of any warranty or product registration card or form, or an electronic online warranty or product registration form, shall become effective on July 1, 2015.

(b) This part does not apply to any warranty or product registration card or form printed prior to July 1, 2015, and shipped or included with a product that was placed in the stream of commerce prior to July 1, 2015.

(c)

(1) This part shall not apply to any warranty or product registration card or form with respect to HVAC systems in a new home that is built on or after July 1, 2015.

(2) This part shall apply to any warranty or product registration card or form with respect to HVAC systems in a post-construction home.

SECTION 5. A violation of this part constitutes an unfair or deceptive act or practice under § 47-18-104(a). A civil action for violation of this part may be brought under § 47-18-109.

SECTION 6. Tennessee Code Annotated, Section 47-18-109(a)(1), is amended by deleting the subdivision and substituting instead the following:

(1) A person may bring an action individually to recover actual damages pursuant to this section if the person suffers an ascertainable loss of money or property, real, personal, or mixed, or any other article, commodity, or thing of value wherever situated, as a result of the use or employment by another person of an unfair or deceptive act or practice that is declared to be unlawful by this part and is described in § 47-18-104(b) or SECTION 5 of this act.

SECTION 7. This act shall take effect July 1, 2015, the public welfare requiring it, and shall apply to all sales of HVAC systems occurring on or after that date.